Regulation, 2000 prescribes the pattern of investment to be followed by the insurance companies. As per the existing provisions, not less than 15% of controlled fund in the case of registered life insurance companies and 10% of total assets in the case of registered general insurance companies are to be invested in infrastructure and social sectors.

(d) Do not arise in view of the reply above.

Banks' Proposal for Bond Buyback Scheme

2930. SHRIMATI SHABANA AZMI: Will the Minister of FINANCE be pleased to state:

(a) whether the Ministry of Finance has rejected a proposal to allow banks greater flexibility in using the income received from the bond buyback scheme announced in this year's budget;

(b) if so, the main reasons for the rejection;

(c) whether any compromise has been considered; and

(d) if so, the other alternatives being suggested by the Ministry to consider banks' proposal?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) Government of India have not imposed any restriction on the utilisation of income received from the bond buyback scheme. Infact, an additional deduction has been allowed under the Income-tax Act, 1961 on premium received under the scheme to the extent that such premium is used for provisioning for their non-performing assets.

Fall in Public Savings

2931. SHRI VIJAY J. DARDA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that from a level of 2.5 per cent in 1990s, rate of public savings has fallen to around a negative 2.5 per cent in 2002-2003, thereby bringing Government investment on infrastructure to 4.5 per cent of GDP from earlier 5 per cent;

(b) if so, whether Government are thinking of drastic reduction in subsidies and also adopting other measures; and

(c) if so, what are the details thereof and the time-frame fixed for the purpose?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) As per the latest available information released by the Central Statistical Organisation, public sector savings, as per cent of Gross Domestic Product (GDP) at current market prices during 1990-91 to 2001-02 is as follows:

Year	
1990-91	1.1
1991-92	2.0
1992-93	1.6
1993-94	0.6
1994-95	1.7
1995-96	2.0
1996-97	1.7
1997-98	1.3
1998-99	(-) 1.0
1999-00	(-) 1.0
2000-01	(-) 2.3
2001-02 (Quick estimates)	(-) 2.5

As per the latest available information, gross capital formation of public sector in major infrastructure sectors as per cent of GDP at current market prices during the last three years, is as follows:

Sector	1998-99	1999-2000	2000-2001
Electricity, gas & water supply	1.7	1.6	1.5
Transport, storage & communication	1.1	1.2	1.5
Financing, insurance, real estate & business services	0.4	0.3	0.3
Community, social & personal services	1.6	1.6	1.6

(b) and (c) Review and rationalisation of subsidies is a continuous and ongoing process and the Government has been taking corrective steps, whenever necessary. The Tenth Five-Year Plan (2002-07) aims at improving the fiscal health of the Government, both at the Centre and at the State levels by making necessary corrections in the subsidy and the pricing regime for public provisioning of services.

Participation of Private firms in Pension Funds

2932. SHRI S.P.M. SYED KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government would allow public and private firms to launch pension funds;

(b) if so, the details thereof;

(c) whether Government propose to set-up a Pension Fund Regulatory and Development Authority to govern those firms involved in pension funds; and

(d) whether any Bill is pending before the House in this respect?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) Government has decided to introduce a defined contribution pension scheme for new entrants to Government service, except to the armed forces in the first stage, which will also be available on a voluntarily basis, to others. Pension Funds will be regulated through a new and independent Pension Fund Regulatory and Development Authority. The pension assets would be managed by pension fund managers (PFMs) each of whom would offer a variety of schemes.

(d) No, Sir.

Credit deposit ratio of States

†2933. PROF. RAM DEO BHANDARY: Will the Minister of FINANCE be pleased to state:

(a) the details of credit-deposit ratio of various States, State-wise;

†Original notice of the question was received in Hindi